

PROPRIETARY SCHOOLS OF NORTH CAROLINA

ANNUAL REPORT: 2018

Submitted by the State Board of Proprietary Schools to the State Board of Community Colleges Pursuant to §115D-89.3 of the North Carolina General Statutes.

NORTH CAROLINA GENERAL STATUTE 115D-89.3

Pursuant to North Carolina General Statute §115D-89.3, the State Board of Community Colleges shall receive a written report annually from the State Board of Proprietary Schools to include the number of schools receiving initial licenses during the previous year, a list of currently licensed proprietary schools, school closures during the previous year, including a complete report of actions concerning any catastrophic closures, complaints received and resulting decisions or actions, total fees received, and balances of the Commercial Education Fund and the Student Protection Fund.

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ANNUAL REPORT SUMMARY

1. Initially Licensed Schools 2017-2018: 19 ----- (Table A, Page 5)
2. Proprietary School Closures 2017-2018: 5 ----- (Table B, Page 5)
3. Student Complaints and Resulting Actions: 8 ----- (Table C, Page 7)
4. Licensed Proprietary Schools 2018-2019: 85 ----- (Table D, Page 9)
5. Total License Fees Received 2017-2018: \$275,659 --- (Table E, Page 11)
6. Commercial Education Fund Balance: \$734,117.42 --- (Table F, Page 11)
7. Student Protection Fund Balance: \$1,006,606.69 ----- (Table F, Page 11)

INITIALLY LICENSED SCHOOLS**(July 1, 2017 – June 30, 2018)**

Nineteen proprietary schools were initially licensed during the 2017-2018 fiscal year.

TABLE A: Initially Licensed Proprietary Schools, 2017-2018 (19)

*Center for Montessori Teacher Education/NC	*Miller-Motte College -Cary
Institute for Guided Studies	*Miller-Motte College -Fayetteville
Advanced Diagnostic Institute	*Miller-Motte College -Jacksonville
Chosen Healthcare Institute -Lumberton	*Miller-Motte College -Raleigh
*Art Institute of Charlotte	*Miller-Motte College -Wilmington
*Art Institute of Raleigh-Durham	*New Horizons Computer Learning Center - Charlotte
Hashem School of Health and Career Training Center	*New Horizons Computer Learning Center - Greensboro
Momentum Learning	Cumberland Nursing Academy
Project Shift	K's Healthcare Institute
Veterans Assembled <i>electronics</i> -Concord	

*Center for Montessori Teacher Education/NC, Art Institute (2 campuses), Miller-Motte College (5 campuses), and New Horizons Computer Learning Center (2 campuses) were sold during the 2017-18 licensing year. As a result, the new owners were required to apply for initial licensing.

PROPRIETARY SCHOOL CLOSURES**(July 1, 2017 – June 30, 2018)**

One proprietary school failed to renew its license for 2018-2019. One school was sold and rebranded. There were three additional closures during the 2017-2018 licensing year (*).

TABLE B: Proprietary School Closures, 2017-2018 (5)

Astinix Institute (Licensed: 2014)	*Coder Foundry-Charlotte (Licensed: 2016)
Care One Health Training Institute-Fayetteville (Licensed:2013)	*Coder Foundry-Kernersville (Licensed: 2016)
*Miller-Motte College -Greenville (Licensed 2009) -This campus was closed as a result of the sale of the Miller-Motte Colleges listed in Table A above. All students were taught out prior to closure.	

Sale of Care One Health Training Institute-Fayetteville

On March 1, 2018 the administrator of the Fayetteville campus of Care One Health Training Institute advised the Office of Proprietary Schools that the school was sold effective immediately. The school was rebranded under the new owner as Cumberland Nursing Academy. Upon verification that the new owner had a current and active bond set at the statutory minimum (\$25,000), the new owner was issued a 90-day temporary license pursuant to N.C.G.S. §115D-91. Cumberland Nursing Academy was initially licensed by the State Board of Community Colleges on May 18, 2018.

***Coder Foundry Closures**

On November 29, 2017 the administrator of the Coder Foundry campuses (Charlotte and Kernersville) advised OPS that the schools would close after completing a teach-out of current students. The Charlotte campus was taught out, but the company declared bankruptcy and closed the Kernersville campus on December 22, 2017. On February 12, 2018 the Community College System President initiated bond claims totaling \$51,600 on behalf of four students impacted by the closure. The Community College System Office received a reimbursement check for the full amount on April 6, 2018, and students were reimbursed immediately thereafter.

Refusal to Recommend License Renewal

On May 4, 2018 the State Board of Proprietary Schools met to consider renewal applications for the July 1, 2018 – June 30, 2019 licensing year. The Board refused to recommend relicensing of four schools:

Center For Montessori Teacher Education/NC - The Board found: 1) The application failed to meet the licensing requirements mandated in N.C.G.S. §115D-91(b) because it was not filed in the form and manner prescribed by the State Board, and because the renewal fee was not paid in a timely, appropriate, and acceptable manner; 2) the school failed to pay the required Student Protection Fund Assessment in a timely, appropriate, and acceptable manner; and 3) The mandatory late fee required by 2A SBCCC 300.6 was not received or otherwise paid.

Umanah Healthcare Institute (Charlotte, Gastonia, Monroe) – The Board found: 1) The application failed to meet the requirements in N.C.G.S. §115D-90(c)(1); 2) The applicant failed to meet the requirements in N.C.G.S. §115D-90(c)(8); and 3) The Office of Proprietary schools was investigating several allegations of noncompliance. During a special meeting on July 11th, the Proprietary Board recommended license revocation for all three campuses.

STUDENT COMPLAINTS RECEIVED AND RESULTING ACTIONS**(July 1, 2017 – June 30, 2018)**

The Office of Proprietary Schools has written procedures for handling student complaints. The complaint procedure and appropriate forms are posted online at:

<http://www.nccommunitycolleges.edu/proprietary-schools>.

TABLE C: Student Complaints Received, July 1, 2017- June 30, 2018 (8)

Complaints received 2017-2018	Actions Taken
Complaint 1	Allegations did not establish violation
Complaint 2	Resolved through private agreement
Complaint 3	Allegations did not establish violation
Complaint 4	Allegations did not establish violation
Complaint 5	Allegations did not establish violation
Complaint 6	Resolved through private agreement
Complaint 7	Allegations did not establish violation
Complaint 8	Resolved through private agreement

Complaint #1:

In July (2017) OPS received a complaint against a school in Charlotte, alleging it improperly removed a student from a Nurse Aide I program. The school provided documentation that the student violated the institution's code of conduct and that she was removed pursuant to a written school policy. Several student witnesses supported the school's position. No evidence was found to support the allegation of wrongful termination from the program and no violation of licensing standards was found.

Complaint #2:

In October, OPS received a complaint against a school in Wake Forest alleging improper treatment and failure to provide a timely clinical opportunity. The school presented evidence disputing the allegations but offered to refund the student in-full to resolve the complaint. OPS confirmed the student was refunded.

Complaint #3:

Also, in October, OPS received a complaint alleging a school in Charlotte was preventing a student from registering to take the state Nurse Aide I exam. The school provided documentation that it allowed the student to complete the course despite the student's failure to pay for the course as contractually obligated. The school also provided documentation that it registered the student for the state exam prior to the student's complaint. No violation of licensing standards was found.

Complaint #4:

In November, OPS received a complaint alleging a school in Harmony failed to provide the correct number of training hours as presented in the school catalog and also that it should reimburse veterans who previously took the same program. The school provided documentation that the student was initially granted a medical leave of absence, but he was subsequently removed from the school for violation of conduct pursuant to a written school policy. An unannounced all-day visit was conducted on December 15, 2017 to review academic records and interview numerous students. An independent investigation by the NC State Approving Agency resulted in no violations. No finding was made against the school, but it agreed to refund the student in-full nonetheless.

Complaint #5:

Also, in November, OPS received a second complaint about the same school in Harmony. This complaint alleged the school failed to provide the proper number of training hours as presented in the school catalog and a full refund was requested. The school provided documentation that the student was removed from the school for violation of conduct pursuant to a written school policy. An independent investigation by the NC State Approving Agency resulted in no violations. No finding was made against the school.

Complaint #6:

In December, OPS received a complaint alleging a school in Winston-Salem failed to provide a clinical site within a reasonable time of completing a phlebotomy course. The student initially agreed to a clinical setting provided by the school, but subsequently requested a full refund. This complaint was resolved through an agreement between the parties in which the student received a 75% tuition refund.

Complaint #7:

In March (2018) OPS received a complaint alleging a school in Harmony failed to provide the correct number of training hours as presented in the school catalog and a refund was requested. This complaint was made by the spouse of one of the students who filed a complaint in November (see Complaint #4 above). The student did not withdraw from the program and did not file a complaint during her attendance. The student's file also contained several positive comments about the school. No findings were made against the school.

Complaint #8:

In April, OPS received a complaint alleging that a school in Winston-Salem did not provide a clinical site within a reasonable time of completing a phlebotomy course. The school presented evidence challenging the allegations, but it agreed to resolve the complaint by providing the student with a 75% tuition refund.

LICENSED PROPRIETARY SCHOOLS**(July 1, 2018 – June 30, 2019)**

On May 18, 2018 the State Board of Community Colleges approved license renewals for 83 proprietary schools. The licenses run from July 1, 2018 – June 30, 2019.

TABLE D: Renewal Licenses, FY 2018 - 2019 (83)

Advanced Diagnostic Institute	Gwinnett College	Neslyn Health Institute
American Academy of Healthcare	Harris Training Institute	New Hope Medical Training
Animal Behavior Institute	Hashem School of Health and Career Training Center	*New Horizons Computer Learning -Charlotte
Apex Health Care Academy	Heavy Equipment College of NC	*New Horizons Computer Learning -Greensboro
**Art Institute of Charlotte	Highland Canine Training	North Carolina Dental Assistant Training School
**Art Institute of Raleigh-Durham	Ideal Health Institute	Piedmont Dental Assistants
**Brightwood College	Institute for Guided Studies	Piedmont Online Institute
Care One Health Training Institute	King's College	Pit Instruction and Training
Caring For Life –Castle Hayne	Lake Norman Dental Assisting School	Premier Dental Assisting Academy
Caring For Life -Jacksonville	Life Time Academy	Project Shift
Carolina Career College	Living Arts College	ProTrain
Carolina School of Broadcasting	Living Arts Institute	Sandhills Dental Career Center
Charlotte Dental Assistant School	**Miller-Motte College -Cary	Serenity Nurse Aide Academy
****Chosen Healthcare Institute - Charlotte	**Miller-Motte College - Fayetteville	Shades of Purple
Chosen Healthcare Institute - Lumberton	**Miller-Motte College - Jacksonville	South College of Tennessee
*****College of Wilmington	**Miller-Motte College - Raleigh	Southeastern Institute
Connecticut School of Broadcasting	**Miller-Motte College - Wilmington	Southern College of Health Sciences
D.A. Academy of NC	Momentum Learning	Sunrise School of Dental Assisting -Fayetteville
***Dental Assistant Academy of Charlotte	More Than Conquerors College	Sunrise School of Dental Assisting -Greensboro
Dental Assistant Training Centers	Mount Eagle College - Greensboro	Sunrise School of Dental Assisting -Raleigh

Dental Staff Institute	Mount Eagle College -Winston-Salem	The New York Code and Design Academy
Discovery Diving Co.	MyComputerCareer.com at Charlotte	Triangle School of Dental Assisting
Divine Health Academy	MyComputerCareer.com at Raleigh	Unity Nursing Institute
ECPI University -Charlotte	*****NASCAR Technical Institute	Veterans Assembled Electronics -Concord
ECPI University -Greensboro	National Personal Training Institute of Charlotte	Veterans Assembled Electronics -Fort Bragg
ECPI University -Raleigh	NC Dental U -Fayetteville	**Virginia College
Fast Track Career Prep	NC Dental U –Greenville	Wisdom Health Academy
Guiding Lights Caregiver Training Institute	NC Dental U -Wake Forest	

***Recommendation is contingent upon submission of quarterly financial reports (July 1, 2018 – June 30, 2019).**

****Recommendation is contingent upon submission of quarterly financial reports (July 1, 2018 – June 30, 2019), as well as immediate notification of any change in heightened cash monitoring (HCM) with the U.S. Department of Education or accreditation status.**

*****Recommendation is contingent upon submission of a fully-executed lease agreement through June 30, 2019.**

******Recommendation is contingent upon submission of documentation of a current and active bond effective July 1, 2018, with minimum coverage of \$2,600.**

*******Recommendation is contingent upon immediate notice of any change in Provisional Participation status with the U.S. Department of Education.**

*******Recommendation is contingent upon submission of quarterly financial reports (July 1, 2018 – June 30, 2019), as well as immediate notification of any change in accreditation status.**

TABLE D: Initial Licenses, FY 2018-2019 (2)

On May 18, 2018, the State Board of Community Colleges approved initial licensing for two proprietary schools. The licenses run from May 18, 2018 – June 30, 2019.

SCHOOL	LOCATION
Cumberland Nursing Academy	Fayetteville, NC
K's Healthcare Institute	Oxford, NC

TOTAL FEES RECEIVED**TABLE E: Total Fees Received, FY 2017-2018**

(License Fee Receipts as of June 30, 2018)

Fiscal Year	Receipts Collected	Year-End Balance
2017-2018	\$275,659.00	\$734,117.42
2016-2017	\$228,350.00	\$639,027.09
2015-2016	\$235,900.00	\$591,378.03

(Student Protection Fund Receipts as of June 30, 2018)

Fiscal Year	Receipts Collected	Year-End Balance
2017-2018	\$107,641.12	\$1,006,606.69
2016-2017	\$100,016.73	\$886,948.09
2015-2016	\$99,025.27	\$779,953.48

PROPRIETARY SCHOOL FUND BALANCES**TABLE F: Fund Balances as of June 30, 2018**

COMMERCIAL EDUCATION FUND	STUDENT PROTECTION FUND
\$734,117.42	\$1,006,606.69